



# Transaction Privilege Tax Changes and News

This publication is an informational notice included with the February 2005 Transaction Privilege Tax Return.

## TOWN OF CAREFREE

**Effective April 1, 2005:** On February 1, 2005 the Mayor and Town Council of the Town of Carefree passed ordinance number 2005-01. Ordinance 2005-01 increases the Carefree Town Privilege Tax from **2% to 3%**. The tax rate increase affects the following classifications:

Advertising; Amusements; Job printing; Manufactured buildings; Timbering and other extraction; Publishing; Hotels; Rental of real property; Rental of tangible personal property; Restaurants and Bars; Telecommunications; Transporting for hire and Utilities.

Ordinance 2005-01 increases the Carefree Town Privilege Tax on Construction Contracting Section 415, 416 and 417 from **2% to 4%**. The tax on Construction Contracting shall be reported using **CA005**.

Ordinance 2005-01 also increases the Carefree Town Privilege Tax on Retail from **2% to 3%** with the exception of retail sales of food. Retail sales of food shall remain at **2%** and shall be reported using **CA001**.

The increase imposed by this ordinance shall not apply to contracts entered into prior to the effective date of the ordinance. Pre-existing contracts should be reported using **CA009** at a rate of **2%**.

The following reporting codes are effective April 1, 2005.

Privilege Tax	CA000	3.00%
Food Tax	CA001	2.00%
Hotel/Motel (Additional Tax)	CA003	3.00%
Restaurant/Bars	CA004	3.00%
Construction Contracting	CA005	4.00%
Contracts (Pre Apr. 2005)	CA009	2.00%

## AZTAXES.GOV DUE DATE REMINDER

The postmark due date for the TPT-1 is the 25<sup>th</sup> of the month.

**ACH Debit or E-Check:** Payments made on AZTaxes.gov must be completed before 5:00 pm Mountain Standard Time (MST) the Arizona business day **prior** to the due date, in order for your payment to settle the next business day. The settlement date is the date the money is debited from your bank account and credited to the Department of Revenue account.

**Holidays or Weekends:** When the 25th falls on a weekend or Arizona holiday, the payment will be due the next Arizona business day.

Refer to TPT Due Date Calendar available on ADOR website (Transaction (Sales) & Use Tax on the left column followed by the "Due Dates" drop-down menu) for filing deadlines.

www.AZTaxes.gov

## FILING REMINDERS

### Accounting Credit

Please do not enter an accounting credit amount as a negative number.

### Changes that affect your TPT license

- **Changes in ownership** require a new license because licenses are not transferable. Use the *Arizona Joint Tax Application* to apply for a new license if your business changes from a sole proprietorship to a partnership or corporation, or undergoes a similar change in organization. Also, if the business is a partnership and partners are added or removed, a new license is required.
- **Changes in business location** do not require a new transaction privilege license number unless the

business is moving to a different county. When locations are added or there are changes in the business name (or DBA) the license number does not change; however, a new license is printed. License fees are required when these changes are made and the business receives a new print of the license.

- **Other business changes** that should be reported to the department include changes in the mailing address or location of audit records, requests to suspend licenses when the business plans to temporarily cease operations, and requests to change filing frequency. These changes do not require a license fee.

## FREE ON-LINE TRAINING FOR TRANSACTION PRIVILEGE TAX LICENSE HOLDERS!

The Arizona Department of Revenue is premiering a new educational opportunity – DOR DIRECT. This program will allow you to attend an instructional class from the comfort of your own computer, with the ability to interact through teleconferencing. Watch for more information on our web site – [www.azdor.gov](http://www.azdor.gov) or call 602 716 6794 or 1 877 863 0655 (toll free from area codes 928 & 520) for more information.

### FREE! SMALL BUSINESS WORKSHOP

The Arizona Department of Revenue, in conjunction with the city of Phoenix is presenting a class with important information for you. This class will cover basic information on Transaction Privilege Taxes, such as obtaining a license, some differences between retail sales, and construction contracting, the tax rates that are used, as well as withholding tax information.

Industrial Commission, 800 W. Washington, Phoenix, AZ  
Monday, 21 March, 2005 8:30am - 12pm  
[www.azdor.gov](http://www.azdor.gov) to register or call 602-716-7810

### ¡GRATIS! TALLER DE IMPUESTOS DE PEQUEÑOS NEGOCIOS.

El departamento de impuestos del estado de Arizona junto con la ciudad de Phoenix presentará un taller con información importante para asistirle. Esta clase cubrirá información básica sobre los impuestos “de venta”, como conseguir una licencia del privilegio de transacción, algunas diferencias entre las ventas al menudeo, y construcción, cuales son los porcentajes que se usan, además información de la retención de impuestos de ingresos.

Comisión Industrial, 800 W. Washington, Phoenix, AZ  
Lunes, 21 marzo 2005 8:30am – 12pm  
[www.azdor.gov](http://www.azdor.gov) para registrar o lláme 602-716-7810

## DEPARTMENT OF REVENUE TELEPHONE NUMBERS & WEB ADDRESSES

**Transaction Privilege Use, Withholding Tax, Licensing**.....(602) 255-2060  
Toll-free from area codes 520 and 928.....(800) 843-7196  
**Hearing Impaired TDD User** .....(602) 542-4021  
Toll-free from area codes 520 and 928.....(800) 397-0256  
**To order forms by phone**.....(602) 542-4260  
**Forms by fax**.....(602) 542-3756  
**Forms and instructions are also available on our website at** ..... [www.azdor.gov](http://www.azdor.gov)  
**Businesses can now register, file and pay online at**..... [www.AZTaxes.gov](http://www.AZTaxes.gov)